

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

<b>IN THE MATTER OF THE APPLICATION BY</b>	)	<b>ORDER ASSESSING FILING</b>
<b>SCS CARBON TRANSPORT LLC FOR A</b>	)	<b>FEE; ORDER AUTHORIZING</b>
<b>PERMIT TO CONSTRUCT A CARBON</b>	)	<b>EXECUTIVE DIRECTOR TO</b>
<b>DIOXIDE TRANSMISSION PIPELINE</b>	)	<b>ENTER INTO CONSULTING</b>
	)	<b>CONTRACTS</b>
	)	
	)	<b>HP22-001</b>

On February 7, 2022, the South Dakota Public Utilities Commission (Commission) received an Application for a Permit to Construct a Carbon Dioxide Transmission Pipeline (Application) from SCS Carbon Transport LLC (Applicant). Applicant proposes to construct and operate a carbon dioxide (CO<sub>2</sub>) transmission pipeline (Project). The Project is approximately 2,000 miles of pipelines for the transportation of CO<sub>2</sub> from more than 30 ethanol plants across five states, including seven ethanol plants in South Dakota, to underground injection control facilities in North Dakota. The proposed route of the main line enters South Dakota in Lincoln County at the Iowa/South Dakota border and extends in a northwesterly direction, exiting the state at the South Dakota/North Dakota border in McPherson County. In addition to the main line, the proposed Project includes lateral and trunk lines connecting ethanol plants to the main line. The proposed length of pipelines through South Dakota would be approximately 469 miles and would cross the counties of Beadle, Brown, Clark, Codington, Edmunds, Hamlin, Hand, Hyde, Kingsbury, Lake, Lincoln, McCook, McPherson, Minnehaha, Miner, Spink, Sully, and Turner. Applicant estimates the total cost of the proposed Project in South Dakota to be \$785 million.

On February 9, 2022, Commissioner Kristie Fiegen filed a letter delivered to Governor Kristi Noem advising of a conflict of interest under SDCL 49-1-9 regarding familial ownership of property that is part of the proposed Project route.

On February 10, 2022, the Commission electronically transmitted notice of the filing and the intervention deadline of April 8, 2022, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv.

SDCL 49-41B-12 authorizes the Commission to assess a maximum fee not to exceed one-quarter of one percent for the first one hundred million dollars of estimated construction costs plus one-twentieth of one percent of all additional estimated construction costs of the Project, with a minimum total fee chargeable of not less than eight thousand dollars. The fee shall be deposited in a subfund in the Commission's Regulatory Assessment Fee Fund to defray Commission expenses incident to analyzing and ruling upon the Application. The maximum fee amount, calculated pursuant to statute, is \$592,500.

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26 and 49-41B, specifically 49-41B-12, 49-41B-26, and ARSD Chapter 20:10:22.

At its regularly scheduled meeting on February 18, 2022, the Commission considered this matter. Commission staff requested that the Commission assess a filing fee pursuant to SDCL 49-41B-12 of up to the statutory maximum of \$592,500, with an initial deposit of \$8,000,

and authorize the executive director to enter into consulting contracts that may be needed for the review of the Application. The Commission unanimously voted to assess a filing fee up to the statutory limit of \$592,500, with an initial deposit of \$8,000, for actual expenses incurred in processing this Application commencing from the filing date. The Commission further voted unanimously to authorize the executive director to enter into necessary consulting contracts. It is therefore

ORDERED, that SCS Carbon Transport LLC shall be assessed a filing fee not to exceed \$592,500 to reimburse actual expenses incurred by the Commission in the processing of the Application with an initial deposit of the \$8,000 minimum fee. It is further

ORDERED that the executive director is hereby authorized to enter into necessary consulting contracts.

Dated at Pierre, South Dakota, this 24<sup>th</sup> day of February 2022.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.
By: <u>Adam V. Hnekk</u>
Date: <u>2/24/22</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chris Nelson  
CHRIS NELSON, Commissioner

Gary Hanson  
GARY HANSON, Commissioner